YEAH1 GROUP CORPORATION

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2018

YEAH1 GROUP CORPORATION

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2018

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YEAH1 GROUP CORPORATION

CORPORATE INFORMATION

Enterprise registration certificate	No. 0304592171 dated 12 September 2006 was initially issued by the Department of Planning and Investment of Ho Chi Minh City and the 21st amendment dated 21 April 2018.	
Board of Management	Mr. Nguyen Anh Nhuong Tong	Chairman
	Mr. Dao Phuc Tri	Member
	Mr. Hoang Duc Trung	Member
	Mr. Don Di Lam	Member
	Mr. Nguyen Ngoc Dung	Member (from 10 April 2018)
	Mr. Niraan De Silva	Member (from 10 April 2018)
	Mr. Tran Quoc Bao	Member (from 10 April 2018)
	Mr. Ly Truong Chien	Member (from 10 April 2018)
Board of Supervision	Mr. Ho Nam Dong	Head of Board of Supervisor (from 10 April 2018)
	Mr. Lam Quoc Thai	Member (from 10 April 2018)
	Mr. Le Van Nhuong	Member (from 10 April 2018)
Board of Directors	Mr. Dao Phuc Tri	General Director
	Mr. Vo Thai Phong	Deputy General Director - Finance
	Mr. Niraan De Silva	Deputy General Director - Strategy (from 20 June 2018)
	Mr. Loh Yeah Wei Jason	Deputy General Director - Operation (from 20 June 2018)
Legal representative	Mr. Nguyen Anh Nhuong Tong	Chairman
	Mr. Dao Phuc Tri	General Director
Registered office	Floor 1, Office tower, Mplaza Building, 39 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	
Auditor	PwC (Vietnam) Limited	

YEAH1 GROUP CORPORATION

STATEMENT OF THE RESPONSIBILITY OF THE CHAIRMAN OF THE COMPANY IN RESPECT OF THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The Chairman of Yeah1 Group Corporation ("the Company") is responsible for preparing the consolidated interim financial statements of the Company and its subsidiaries (together, "the Group") which give a true and fair view of the consolidated interim financial position of the Group as at 30 June 2018, and of the consolidated results of its operations and its consolidated cash flows for the six-month period then ended. In preparing these consolidated interim financial statements, the Chairman is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Chairman is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and which enable consolidated interim financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the consolidated interim financial statements. The Chairman is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL OF THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

I hereby approve the accompanying consolidated interim financial statements as set out on pages 5 to 57 which give a true and fair view of the consolidated financial position of the Group as at 30 June 2018, and of the consolidated results of its operations and its consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated interim financial statements.

M.S.D.N.: 0304592171 - C.T.C.P. CÔNG TY CỔ PHẦN TẬP ĐOÀN YEAH1 THÀNH PHỐ HỒ CHÍ MINH

Nguyen Anh Nhuong Tong
Chairman

Ho Chi Minh City, SR Vietnam
17 August 2018

REPORT ON REVIEW OF CONSOLIDATED INTERIM FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF YEAH1 GROUP CORPORATION

We have reviewed the accompanying consolidated interim financial statements of Yeah1 Group Corporation ("the Company") and its subsidiaries (together, "the Group") which were prepared on 30 June 2018 and approved by the Chairman on 17 August 2018. The consolidated financial statements comprise the consolidated interim balance sheet as at 30 June 2018, the consolidated income statement and consolidated cash flow statement for the six-month period then ended, and explanatory notes to the consolidated interim financial statements including significant accounting policies, as set out on pages 5 to 57.

The Chairman's Responsibility

The Chairman of the Company is responsible for the preparation and the true and fair presentation of these consolidated interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of consolidated interim financial statements and responsible for internal control which the Chairman determines necessary to enable the preparation and fair presentation of consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the consolidated interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not present fairly, in all material respects, the financial position of the Group as at 30 June 2018, its consolidated financial performance and consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of the consolidated interim financial statements.

PwC (Vietnam) Limited
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Other Matters

The consolidated interim income statement and the consolidated interim cash flow statement of the Group for the six-month period ended 30 June 2017, are presented as comparative figures, have not reviewed by any independent auditor.

This report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English copies, the Vietnamese copy shall take precedence.

For and on behalf of PwC (Vietnam) Limited

M.S.D.N: 0100157406 - C.T.T.N.H.H.
CÔNG TY TNHH PWC (VIỆT NAM)
QUẬN 1 - T.P. HỒ CHÍ MINH

Quach Thanh Chau
Audit Practising Licence No. 0875-2018-006-1
Authorised signatory

Report reference number: HCM7422
Ho Chi Minh City, 17 August 2018

As indicated in Note 2.1 to the consolidated interim financial statements, the accompanying consolidated interim financial statements are not intended to present the consolidated financial position, consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than SR Vietnam, and furthermore their utilisation is not designed for those who are not informed about SR Vietnam's accounting principles, procedures and practices.

YEAH1 GROUP CORPORATION

Form B 01a – DN/HN

CONSOLIDATED INTERIM BALANCE SHEET

Code	ASSETS	Note	As at 30.06.2018 VND	As at 31.12.2017 VND
100	**CURRENT ASSETS**		**661,566,975,350**	**445,930,517,361**
110	**Cash and cash equivalents**	4	**61,555,359,633**	**41,931,020,478**
111	Cash		47,355,359,633	25,631,020,478
112	Cash equivalents		14,200,000,000	16,300,000,000
120	**Short-term investment**		**78,481,583,486**	**35,575,296,036**
123	Investments held-to-maturity	5(a)	78,481,583,486	35,575,296,036
130	**Short-term receivables**		**391,096,795,731**	**259,244,180,781**
131	Short-term trade accounts receivable	6	305,560,317,052	154,665,886,234
132	Short-term prepayments to suppliers	7	17,091,485,293	32,690,645,652
136	Other short-term receivables	8(a)	68,444,993,386	72,064,048,895
137	Provision for doubtful debts – short-term		-	(176,400,000)
140	**Inventories**	9	**93,006,877,238**	**74,423,047,793**
141	Inventories		93,006,877,238	74,900,593,248
149	Provision for decline in value of inventories		-	(477,545,455)
150	**Other current assets**		**37,426,359,262**	**34,756,972,273**
151	Short-term prepaid expenses	10(a)	7,161,111,978	3,430,490,513
152	Value Added Tax to be reclaimed	16	29,185,854,831	29,888,510,019
153	Other taxes receivable		219,908,221	411,312,141
155	Other current assets		859,484,232	1,026,659,600

The notes on pages 10 to 57 are an integral part of these consolidated interim financial statements.

YEAH1 GROUP CORPORATION

Form B 01a – DN/HN

CONSOLIDATED INTERIM BALANCE SHEET (continued)

Code	ASSETS (continued)	Note	As at 30.06.2018 VND	As at 31.12.2017 VND
200	**LONG-TERM ASSETS**		**279,747,307,545**	**211,374,828,333**
210	**Long-term receivable**		**31,251,549,999**	**59,335,203,851**
215	Long-term lending	11	13,000,000,000	43,000,000,000
216	Other long-term receivables	8(b)	18,251,549,999	16,335,203,851
220	**Fixed assets**		**19,544,398,730**	**13,024,833,329**
221	Tangible fixed assets	12(a)	4,276,997,625	4,450,190,050
222	Historical cost		14,921,326,150	14,428,575,865
223	Accumulated depreciation		(10,644,328,525)	(9,978,385,815)
224	Finance lease assets		1,717,981,120	1,925,290,576
225	Historical cost		2,833,229,210	2,833,229,210
226	Accumulated depreciation		(1,115,248,090)	(907,938,634)
227	Intangible fixed assets	12(b)	13,549,419,985	6,649,352,703
228	Historical cost		14,070,560,154	7,070,435,154
229	Accumulated amortisation		(521,140,169)	(421,082,451)
240	**Investment property**		**115,475,000**	**115,475,000**
242	Construction in progress		115,475,000	115,475,000
250	**Long-term investments**		**13,886,058,401**	**8,316,659,742**
252	Investments in associates	5(b)	1,200,000,000	400,000,000
253	Investments in other entities	5(c)	12,686,058,401	8,065,990,730
254	Provison for long-term investments		-	(149,330,988)
260	**Other long-term assets**		**214,949,825,415**	**130,582,656,411**
261	Long-term prepaid expenses	10(b)	14,564,754,366	20,385,650,623
262	Deferred income tax assets	20	20,000,000	806,924,582
269	Goodwill	13	200,365,071,049	109,390,081,206
270	**TOTAL ASSETS**		**941,314,282,895**	**657,305,345,694**

The notes on pages 10 to 57 are an integral part of these consolidated interim financial statements.

YEAH1 GROUP CORPORATION

Form B 01a – DN/HN

CONSOLIDATED INTERIM BALANCE SHEET (continued)

Code	RESOURCES	Note	As at 30.06.2018 VND	31.12.2017 VND
300	**LIABILITIES**		**555,204,718,963**	**324,514,900,460**
310	**Short-term liabilities**		**525,204,718,963**	**294,455,248,460**
311	Short-term trade accounts payable	14	108,609,933,515	134,365,105,390
312	Short-term advances from customers	15	1,310,544,547	6,575,814,503
313	Taxes and other payables to the State Budget	16	50,323,684,025	25,703,801,902
314	Payable to employees		3,748,930,691	2,921,177,799
315	Short-term accrued expenses	17	18,145,430,613	9,485,294,990
319	Other short-term payables	18	172,782,054,133	47,934,388,873
320	Short-term borrowings and finance lease liabilities	19(a)	170,284,141,439	67,469,665,003
330	**Long-term liabilities**		**30,000,000,000**	**30,059,652,000**
337	Other long-term payables		-	59,652,000
338	Long-term borrowings	19(b)	30,000,000,000	30,000,000,000
400	**OWNERS' EQUITY**		**386,109,563,932**	**332,790,445,234**
410	**Capital and reserves**		**386,109,563,932**	**332,790,445,234**
411	Owners' capital	21(a)	273,699,680,000	238,000,000,000
411a	*- Ordinary shares with voting rights*		*273,699,680,000*	*238,000,000,000*
412	Share premium		24,115,560,000	24,115,560,000
417	Foreign exchange differences		273,769,609	304,613,369
421	Undistributed earnings	22	51,872,093,339	42,111,388,642
421a	*- Undistributed post-tax profits of previous years*		*6,411,708,642*	-
421b	*- Post-tax profit of current period/year*		*45,460,384,697*	*42,111,388,642*
429	Non-controlling interests	23	36,148,460,984	28,258,883,223
440	**TOTAL RESOURCES**		**941,314,282,895**	**657,305,345,694**

Tran Thi Lao
Chief Accountant/Preparer

Vo Thai Phong
Deputy General Director - Finance

M.S.D.N: 0304592171 CÔNG TY CỔ PHẦN TẬP ĐOÀN YEAH1 C.T.C.P. THÀNH PHỐ HỒ CHÍ MINH

Nguyen Anh Nhuong Tong
Chairman
17 August 2018

The notes on pages 10 to 57 are an integral part of these consolidated interim financial statements.

YEAH1 GROUP CORPORATION

Form B 02a – DN/HN

CONSOLIDATED INTERIM INCOME STATEMENT

Code		Note	For the six-month ended 30.06.2018 VND	30.06.2017 VND (Un-reviewed)
01	**Revenue from sales of goods and rendering of services**		**679,108,046,095**	**312,586,654,282**
02	Less deductions		(1,653,025,902)	(701,525,983)
10	**Net revenue from sales of goods and rendering of services**	26	**677,455,020,193**	**311,885,128,299**
11	**Cost of goods sold and services rendered**	27	**(433,390,870,316)**	**(213,168,328,720)**
20	**Gross profit from sales of goods and rendering of services**		**244,064,149,877**	**98,716,799,579**
21	Financial income	28	1,164,855,835	2,523,891,588
22	Financial expenses	29	(6,119,541,983)	(9,611,720,826)
24	Profit sharing from investment in associates		-	-
23	*- Including: Interest expense*	29	*(5,613,881,796)*	*(8,166,516,860)*
25	Selling expenses	30	(64,923,736,075)	(16,424,295,181)
26	General and administration expenses	31	(52,714,255,437)	(33,329,739,843)
30	**Net operating profit**		**121,471,472,217**	**41,874,935,317**
31	Other income		256,369,865	-
32	Other expenses		(500,259,708)	(775,854,832)
40	**Net other expenses**	32	**(243,889,843)**	**(775,854,832)**
50	**Net accounting profit before tax**		**121,227,582,374**	**41,099,080,485**
51	**Business income tax - current**	33	**(26,198,474,900)**	**(8,137,431,049)**
52	**Business income tax - deferred**	20, 33	**(786,924,582)**	**-**
60	**Net profit after tax**		**94,242,182,892**	**32,961,649,436**
	Attributable to:			
61	Owners of the Company		79,379,454,124	26,297,994,147
62	Non-controlling interests		14,862,728,768	6,663,655,289
70	**Earnings per share**	24	**2,900**	**1,709**
70	**Diluted earnings per share**	24	**2,900**	**1,709**

M.S.D.N: 0304592771 - C.T.C.P. CÔNG TY CỔ PHẦN TẬP ĐOÀN YEAH1 THÀNH PHỐ HỒ CHÍ MINH

Tran Thi Lao
Chief Accountant/Preparer

Vo Thai Phong
Deputy General Director - Finance

Nguyen Anh Nhuong Tong
Chairman
17 August 2018

The notes on pages 10 to 57 are an integral part of these consolidated interim financial statements.

YEAH1 GROUP CORPORATION

Form B 03a – DN/HN

CONSOLIDATED INTERIM CASH FLOW STATEMENT
(Indirect method)

Code		Note	For the six-month period ended 30.06.2018 VND	30.06.2017 VND (Un-reviewed)
	CASH FLOWS FROM OPERATING ACTIVITIES			
01	**Net accounting profit before tax**		**121,227,582,374**	**41,099,080,485**
	Adjustments for:			
02	Depreciation, amortisation and allocation of goodwill		9,056,820,639	2,455,308,929
03	Reversal of provisions		(803,276,443)	-
05	Profits from investing activities		(1,062,995,995)	(2,521,548,884)
06	Interest expense		5,613,881,796	8,166,516,860
08	**Operating profit before changes in working capital**		**134,032,012,371**	**49,199,357,390**
09	Increase in receivables		(104,180,585,192)	(40,176,737,322)
10	Increase in inventories		(18,097,928,490)	(34,109,225,049)
11	(Decrease)/increase in payables		(12,111,464,461)	25,233,094,987
12	Decrease in prepaid expenses		2,168,411,501	30,326,265,285
14	Interest paid		(5,585,698,864)	(6,928,430,111)
15	Business income tax paid		(4,611,587,367)	(449,781,423)
20	**Net cash (outflows)/inflows from operating activities**		**(8,386,840,502)**	**23,094,543,757**
	CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets		(525,784,376)	-
23	Deposits at banks with maturity of more than 3 months		(76,221,287,450)	(33,070,000,000)
24	Collection from deposits at banks with maturity more than 3 months		33,315,000,000	32,520,000,000
25	Investment in other entities		(32,584,220,948)	1,733,120,704
27	Dividends and interest received		1,062,995,995	2,521,548,884
30	**Net cash (outflows)/inflows from investing activities**		**(74,953,296,779)**	**3,704,669,588**
	CASH FLOWS FROM FINANCING ACTIVITIES			
31	Proceeds from issue of shares and capital contribution		150,000,000	-
33	Proceeds from borrowings		249,337,517,007	294,439,499,399
34	Repayments of borrowings		(146,523,040,571)	(200,753,309,344)
40	**Net cash inflows from financing activities**		**102,964,476,436**	**93,686,190,055**
50	**Net increase in cash and cash equivalents**		**19,624,339,155**	**120,485,403,400**
60	**Cash and cash equivalents at beginning of period**	4	**41,931,020,478**	**12,709,269,717**
70	**Cash and cash equivalents at end of period**	4	**61,555,359,633**	**133,194,673,117**

Major non-cash transactions in the period were presented in Note 38.

CÔNG TY CỔ PHẦN TẬP ĐOÀN YEAH1 M.S.D.N: 0304592171 - C.T.C.P THÀNH PHỐ HỒ CHÍ MINH

Tran Thi Lao Chief Accountant/Preparer	Vo Thai Phong Deputy General Director- Finance	Nguyen Anh Nhuong Tong Chairman 17 August 2018

The notes on pages 10 to 57 are an integral part of these consolidated interim financial statements.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2018

1 GENERAL INFORMATION

Yeah1 Group Corporation ("the Company") was established in SR Vietnam pursuant to Enterprise registration certificate No. 0304592171 initially issued by the Department of Planning and Investment of Ho Chi Minh City dated 12 September 2006 and the 21st amended Enterprise registration certificate was issued by the Department of Planning and Investment of Ho Chi Minh City on 21 April 2018.

The Company have been listed and its shares have been officially traded on Ho Chi Minh City Stock Exchange ("HOSE") since 26 June 2018 in accordance with Decision No.212/QD-SGDHCM signed by the Director of HOSE on 19 June 2018.

The principal activities of the Company and its subsidiaries (together, "the Group") include advertising; creativity, entertainment, and artistic production; producing movies, videos, and televised programmes; organising and promoting trade; back-stage activities; non-wireless telecommunication activities; and other telecommunication activities.

The normal business cycle of the Group is within 12 months.

As at 30 June 2018, the Group had 447 employees (as at 31 December 2017: 328 employees).

As at 30 June 2018, the Group had 17 subsidiaries and 1 associate (as at 31 December 2017: 13 subsidiaries and 1 associate) presented as below:

1 GENERAL INFORMATION (continued)

No	Name	Place of incorporation and operation	Principal activities	30.06.2018 % of ownership	30.06.2018 % of voting rights	31.12.2017 % of ownership	31.12.2017 % of voting rights
	I – Direct subsidiaries						
1	Yeah1 Group Corporation	Ho Chi Minh City	Advertising, producing media channels	99.00	99.00	99.00	99.00
2	Yeah1 Brand Name Development Corporation	Ho Chi Minh City	Advertising, designing websites	99.00	99.00	99.00	99.00
3	Dragon Entertainment Joint Stock Company	Ho Chi Minh City	Advertising, producing films	99.00	99.00	99.00	99.00
4	NVU Joint Stock Company	Ho Chi Minh City	Advertising, producing media channels	90.00	90.00	90.00	90.00
5	Film World Trade Joint Stock Company	Ho Chi Minh City	Producing films, telecommunication and advertisements	80.00	80.00	80.00	80.00
6	Youth Embassy Film Production and Investment Corporation	Ho Chi Minh City	Producing films, telecommunication and advertisements	67.00	67.00	67.00	67.00
7	Netlink Online Communication Joint Stock Company	Ha Noi	Creative, art and entertainment activities	76.00	76.00	76.00	76.00
8	On+ Communication Corporation	Ho Chi Minh City	Advertisements	51.00	51.00	51.00	51.00
9	ADS Group Vietnam Joint Stock Company	Ha Noi City	Information website, IT services, advertisement	51.00	51.00	-	-
	II – Indirect subsidiaries						
10	SMB corporation	Ho Chi Minh City	Internet Advertising	84.15	85.00	84.15	85.00
11	Yeah1 Network Vietnam Co, Ltd.	Ho Chi Minh City	Advertising, market research and public opinion polling	90.09	100.00	90.09	100.00
12	Netlink Online Corporation	Singapore	Film production, telecommunication and advertising	76.00	100.00	51.00	100.00
13	Yeah1 Network PTE. Ltd.	Singapore	Film, video and television programme production activities; creative, art and entertainment activities	89.10	90.00	89.10	90.00
14	TNT Advertising Communication Company Limited	Ho Chi Minh City	Advertising; trade organisation, introduction and promotion; film, video and television programme production activities; creative, art and entertainment activities	50.49	51.00	50.49	51.00
15	ZeroZ Corporation	Ho Chi Minh City	Producing films, professional designing	94.05	95.00	-	-
16	Digital Content Center Company Limited	Ben Tre City	Advertising	90.98	100.00	-	-
17	Tri Tam Pharmaceutical and Technology Joint Stock Company	Ha Noi	Trading in functional foods, foodstuffs, medical tools drug, pharmaceutical, medicine production	50.49	51.00	-	-
	III - Associates						
18	Vietnam Entertainment Investment Joint Stock Company	Ho Chi Minh City	Investment, producing films and related activities	13.40	20.00		
19	Youth Connections Informatics Communication Joint Stock Company	Ho Chi Minh City	Producing films, telecommunication and advertisements	-	-	40.00	40.00

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of consolidated interim financial statements

The consolidated interim financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated interim financial statements. The consolidated interim financial statements have been prepared under the historical cost convention.

The accompanying consolidated interim financial statements are not intended to present the consolidated financial position and consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

2.2 Fiscal year

The Group's fiscal year is from 1 January to 31 December. These consolidated interim financial statements are prepared for the accounting period from 1 January 2018 to 30 June 2018.

2.3 Currency

The consolidated financial statements are measured and presented in Vietnamese Dong ("VND").

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction dates. Foreign exchange differences arising from these transactions are recognised in the consolidated income statement.

Monetary assets and liabilities denominated in foreign currencies at the consolidated balance sheet date are respectively translated at the buying and selling exchange rates at the consolidated balance sheet date of the commercial banks where the Group regularly trades. Foreign currencies deposited in banks at the consolidated balance sheet date are translated at the buying exchange rate of the banks where the Group opens the foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the consolidated income statement.

Foreign operations

Assets and liabilities of foreign operations are translated into VND at the closing exchange rates at the consolidated balance sheet date. Income and expenses of the foreign operations are translated into VND at the average exchange rate of the accounting period.

Foreign exchange differences arising from the translation of foreign operations are recognised under "Foreign exchange differences" which is under capital and reserves in the consolidated balance sheet.

2.4 Basis of consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Basis of consolidation (continued)

Subsidiaries (continued)

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling transactions and interests

The Group applies a policy for transactions with non-controlling interests ("NCI") as transactions with external parties to the Group.

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

The divestment of the Group's interest in a subsidiary that does not result in a loss of control is accounted for as a transaction with the owners. The difference between the change in the Group's share of net assets of the subsidiary and any consideration paid or received in divestment of the Group's interest in a subsidiary is recorded directly in the undistributed earnings under equity.

Associate

Associate is entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investment in associate is accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associate includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of its associate's post-acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements in reserves is recognised in consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains and losses on transactions between the Group and its associate are eliminated to the extent of the Group's interest in associate. Accounting policies of associate have been changed where necessary to ensure consistency with the policies adopted by the Group.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary or associate at the date of acquisition in accordance with current accounting requirements. Goodwill on acquisitions of subsidiaries is recognised as an asset and is amortised on the straight-line basis over its estimated period of benefit but not exceed 10 years.

Goodwill on acquisitions of investments in joint ventures and associates is included in the carrying amount of the investments at the date of acquisition. The Group does not amortise this goodwill.

On disposal of the investments in subsidiaries or associates, the attributable amount of unamortised goodwill is included in the determination of the profit or loss on the disposal.

Goodwill is tested annually for impairment and carried at cost less accumulated amortisation less accumulated impairment losses. If there is evidence that the impairment during the year is higher than the annual goodwill charge, the Group records the impairment immediately in the accounting period.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank, cash in transit, demand deposits and other short-term investments with an original maturity of three months or less.

2.7 Trade receivables

Trade receivables are carried at the original invoice amount less an estimate made for doubtful receivables based on a review by the Chairman of all outstanding amounts at the year end. Bad debts are written off when identified.

2.8 Inventories

(a) Television programmes

Television programmes are recognised as inventories and stated at the lower of cost and net realisable value. Cost is determined by the specific identification method and includes the actual cost of purchase, and other costs incurred in bringing the inventories to their present location and condition. Cost of television programme is recorded in cost of services based on the reducing balance method which is determined by the number of broadcast times.

(b) Merchandise

Merchandise is stated at the lower of cost and net realisable value. Cost is determined by the first-in first-out method and includes the actual cost of purchase, and other costs incurred in bringing the inventories to their present location and condition.

(c) Provision for decline in value of investments

Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses. Provision is made, where necessary, for obsolete, slow-moving and defective inventory items.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Investments

(a) Investments held-to-maturity

Investments held-to-maturity are investments which the Group's Chairman has positive intention and ability to hold until maturity.

Investments held-to-maturity include term deposits for interest earning. Those investments are accounted for at cost less provision.

Provision for diminution in value of investments held-to-maturity is made when there is evidence that part or the whole of the investment is uncollectible.

(b) Lending

Lending refers to contractual liabilities between parties. Lending is carried at cost less an estimate made for doubtful lending based on a review by the Chairman of all outstanding amounts at period-end.

(c) Investment in associate

Investment in associate is accounted for using the equity method when preparing the consolidated financial statements (Note 2.4).

(d) Investments in other entities

Investments in other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over investees. These investments are initially recorded at cost. Provision for diminution in value of these investments is made when the entities make losses, except when the loss was anticipated in their business plan before the date of investment.

2.10 Fixed assets

Tangible and intangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation/ amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the fixed assets.

Depreciation and amortisation

Fixed assets are depreciated and amortised using the straight-line method so as to write off the cost of the assets over their estimated useful lives or over the term of the project. The principal annual rates used are:

Machinery and equipment	10% – 20%
Motor vehicles	10% – 33%
Office equipment	10% – 17%
Computer software	2% – 10%
Patents	2%
Other assets	20%

Land use rights with indefinite useful life are recorded at historical cost and are not amortised.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Fixed assets (continued)

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount and are recognised as income or expense in the consolidated income statement.

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost. Cost includes professional fees and, for qualifying assets, borrowing costs dealt with in accordance with the Company's accounting policies. Depreciation of these assets, on the same basis as other fixed assets, commences when the assets are ready for their intended use.

2.11 Leased assets

Leases of property, plant and equipment where the lessor has transferred the ownership at the end of the lease period, and transferred substantially the risks and rewards, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charge, are included in long-term borrowings. The interest element of the finance cost is charged to the consolidated income statement over the lease period. The fixed assets acquired under finance leasing contracts are depreciated over the shorter of the estimated useful life of the assets or the lease term. However, if there is reasonable certainty that the lessee will obtain ownership by the end of the lease term, depreciation is calculated over the estimated useful life of the assets.

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the lease.

2.12 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments in the consolidated balance sheet and are mainly expenditures for project development, transmission equipment, tools and equipment which are already put to use. Prepaid expenses are recorded at historical cost and allocated using the straight line method over their estimated useful lives.

2.13 Payables

Classifications of payables are based on their nature as follows:

- Trade accounts payable includes trade payables arising from purchase of goods and services.
- Other payables include non-trade payables, and are not related to purchase of goods and services.

Payables are reclassified into long-term and short-term payables in the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 Borrowing costs

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are recognised in the consolidated income statement when incurred.

2.15 Borrowings

Borrowings with a payment term of more than 12 months from the date of the consolidated financial statements are presented as long-term loans. Borrowings fall due for settlement within the next 12 months from the date of the consolidated financial statements are presented as short-term loans. Borrowing expenses that directly relate to borrowings (other than payable interest), such as expenses for verification, audit, application and so on, are recognised in the consolidated income statement when incurred. Where these expenses arise from borrowings for the purposes of investment, construction or production of assets in progress, they shall be capitalized in accordance with the accounting policy stated in Note 2.14.

2.16 Accrued expenses

Accrued expenses include liabilities for goods and services received in the year but not yet paid due to pending invoice or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting period.

2.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

2.18 Provision for severance allowances

In accordance with Vietnamese labour laws, employees of the Group who have worked regularly for full 12 months or longer, are entitled to a severance allowance. The working period used for the calculation of severance allowance is the period during which the employee actually works for the Group less the period during which the employee participates in the unemployment insurance scheme in accordance with the labour regulations and the working period for which the employee has received severance allowance from the Group.

The severance allowance is accrued at the end of the reporting period on the basis of a half of an average monthly salary per each working year. The average monthly salary used for calculating the severance allowance is the employee's average salary for the six-month period prior to the consolidated balance sheet date.

This allowance will be paid as a lump sum when the employees terminate their labour contracts in accordance with current regulations.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Owners' capital

Contributed capital of the shareholders is recorded according to the actual amount contributed and are recorded according to the par value of the share.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

Treasury shares are shares issued by the Company and bought-back by itself, but those are not cancelled and shall be re-issued in the period in accordance with the Law on securities.

Undistributed earnings record the Company's accumulated results after business income tax at the reporting date.

2.20 Appropriation of net profit

Net profit after income tax could be distributed to owners/ shareholders after approval at General Meeting, and after appropriation to other funds in accordance with the Company's charter and Vietnamese regulations.

Dividend is recognised as a liability in the Company's consolidated interim financial statements in the period in which the dividends are approved by the Company's Annual General Meeting of shareholders.

The Group appropriated below fund:

Bonus and welfare fund

The bonus and welfare fund is appropriated from the Company's undistributed earnings and subject to shareholders' approval at the Annual General Meeting. This fund is set aside for rewarding, increasing general benefits and improving the welfare for officers and employees.

2.21 Revenue recognition

(a) Sales of goods

Revenue from sale of goods is recognised in the consolidated income statement when all five (5) of the following conditions are satisfied:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

Revenue is recognised based on the principle of "substance over form" and allocated to each sales obligation. In case that the Group gives promotional goods to customers associated with customers' purchases, the Group allocates the total consideration received for goods sold and promotional goods. Cost of promotional goods is recognised as cost of sales in the consolidated income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Revenue recognition (continued)

(b) Rendering of services

Revenue from rendering of services is recognised in the consolidated income statement when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Revenue from rendering of services is only recognised when all four (4) of the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group;
- The percentage of completion of the transaction at the consolidated balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

(c) Interest income

Interest income is recognised on an earned basis.

(d) Dividend income

Income from dividend is recognised when the Group has established the receiving right from investees.

2.22 Sales deductions

Sales deductions include trade discounts, sales returns and allowances. Sales deductions incurred in the same period of the related sales of products, goods and services are recorded as a deduction from revenue in that period.

Sales deductions for products, goods or services which are sold in the year but are incurred after the consolidated balance sheet date but before the issuance of the consolidated financial statements are recorded as a deduction from revenue of in the period.

2.23 Cost of sales and services rendered

Cost of sales and services rendered are mainly production cost of programmes, cost of broadcasting line rental, cost of reception, cost of sharing cooperative advertising activities, cost of television programmes and others and is recorded on the basis of matching with revenue and on prudent concept.

2.24 Financial expenses

Financial expenses are expenses incurred in the year for financial activities including expenses of lending and borrowing, payment discount and losses from foreign exchange differences.

2.25 Selling expenses

Selling expenses represent expenses that are incurred in the process of selling products, goods and providing services, which mainly include market research costs, salary expenses of the selling department, depreciation costs of fixed assets used for the sales department, and others.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.26 General and administration expenses

General and administration expenses represent expenses for administrative purposes which mainly include salary expenses of administrative staff, expenses of office materials, tools and supplies, depreciation of fixed assets used for administration, utilities and others.

2.27 Current and deferred income tax

Income taxes include all income taxes which are based on taxable profits including profits generated from production and trading activities in other countries with which the Socialist Republic of Vietnam has not signed any double taxation agreement. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current year taxable profits and the current year tax rates. Current and deferred tax should be recognised as an income or an expense and included in the profit or loss of the period, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the consolidated balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.28 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Group, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the enterprise, key management personnel, including directors of the Group and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering a related party relationship, the Group considers the substance of the relationship but not merely the legal form.

2.29 Segment reporting

A segment is a component which can be separated by the Group engaged in providing products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Group's business segment or the Group's geographical segment.

Segment reporting is prepared and presented in accordance with accounting policies applied to the preparation and presentation of the Group's consolidated financial statements in order to help users of consolidated financial statements understand and evaluate the Group's operations in a comprehensive way.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.30 Accounting estimates

The consolidated interim financial statements have been prepared in accordance with Vietnamese Accounting Standards which require the Chairman to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of assets and contingent liabilities at the date of the consolidated interim financial statements as well as the amounts of revenues and expenses for the reporting period. Although the accounting estimates are made by all the knowledge of the Chairman, the actual results may differ from those estimates.

3 ESTABLISHMENT OF SUBSIDIARIES AND TRANSACTIONS WITH NON-CONTROLLING INTEREST

3.1 Establishment during the period

(a) Establishment of ZeroZ Corporation ("ZeroZ"), a new subsidiary

On 8 January 2018, the Group completed the establishment of ZeroZ, a new subsidiary. Through this establishment, the Group held 94.05% interests in ZeroZ.

(b) Establishment of Digital Content Center Company Limited ("Digital Content"), a new subsidiary

On 6 February 2018, the Group completed the establishment of Digital Content, a new subsidiary. Through this establishment, the Group held 90.98% interests in Digital Content.

3.2 Transactions with non-controlling interest

Acquisition of additional equity interest in Netlink Online Corporation Joint Stock Company ("Netlink"), an existing subsidiary

On 2 January 2018, the Company acquired additional 25.00% of the voting shares of Netlink. This transaction increased the equity interests of the Group in Netlink to 76.00%. Total considerations for this transaction were VND39,436,172,133 and total carrying value of the equity interests acquired was VND5,517,102,706. The difference of VND33,919,069,427 between the considerations and the carrying value of the equity interests acquired was charged to retained earnings within the equity (Note 22).

3 BUSINESS COMBINATION (continued)

3.3 Acquisition of ADS Group Joint Stock Company ("ADSBNC") and Tri Tam Pharmaceutical and Technology Joint Stock Company ("Tri Tam")

On 1 April 2018, the Group completed the acquisition of 51% of voting shares of ADSBNC with a consideration of VND107,227,750,000. Through this acquisition, the Group also controlled Tri Tam with 50.49% voting shares.

This business combination impacts to the net assets of the Group at the acquisition date as follows:

	Fair values recognised at acquisition date VND
Assets	
Cash and cash equivalents	2,115,779,052
Short-term receivables	6,216,368,591
Inventories	8,355,500
Fixed assets	73,991,935
Other assets	514,701,709
	8,929,196,787
Liabilities	
Liabilities	(3,712,101,642)
Total identifiable net assets	**5,217,095,145**
Goodwill	104,586,731,045
Non-controlling interests	(2,576,076,189)
Purchase consideration transferred (*)	107,227,750,000
Cash acquired	(2,115,779,052)
Net cash outflow on acquisition	105,111,970,948

(*) The consideration is estimated based on proforma net profit after tax of 2018 of this group companies. The consideration will be adjusted based on profit after tax audited by an independent auditor appointed by the Company. As at 30 June 2018, unsettled amount of VND101,227,750,000 was recognised as other short-term payables (Note 18).

The goodwill arising from the acquisition consists largely of the synergies and economies of scale expected from combining the operations of the Group and this group companies. The acquisition will increase the market share of the Group in the media commerce market.

Revenue and profit after tax during the consolidated period, from 1 April to 30 June 2018 of the group ADSBNC and Tri Tam is VND20,431,294,141 and VND10,566,339,231, respectively.

4 CASH AND CASH EQUIVALENTS

	30.6.2018 VND	31.12.2017 VND
Cash on hand	2,613,290,620	1,853,438,779
Cash at bank	44,742,069,013	23,777,581,699
Cash equivalents (*)	14,200,000,000	16,300,000,000
	61,555,359,633	41,931,020,478

(*) Cash equivalents are term deposits in Vietnamese Dong at commercial banks with an original maturity of 3 months or less and earn interest at rates from 3.1% to 5.6% per annum (2017: from 5% to 7% per annum). These deposits were pledged as collateral assets for the short-term bank borrowings (Note 19(a)).

5 INVESTMENTS

(a) Investments held-to-maturity

	30.6.2018		31.12.2017	
	Historical cost VND	Net book value VND	Historical cost VND	Net book value VND
Term deposits	78,481,583,486	78,481,583,486	35,575,296,036	35,575,296,036

The term deposits represent bank deposits with remaining maturity from six to twelve months at the commercial banks, and earn interest from 3.75% per annum to 6.8% per annum (as at 31 December 2017: from 5.0% per annum to 7.0% per annum). These term deposits were pledged as collateral assets for the short-term bank borrowings (Note 19(a)).

5 INVESTMENTS (continued)

(b) Investment in associate

		30.6.2018					31.12.2017			
Company name	Principal activities	Ownership %	Voting rights	Historical cost VND	Fair value VND	Provision VND	Ownership and voting rights %	Historical cost VND	Fair value VND	Provision VND
Vietnam Entertainment Investment Joint Stock Company	Investment, producing films and other related activities	13.4	20.0	1,200,000,000	(*)	-	-	-	-	-
Youth Connections Informatics Communication Joint Stock Company	Producing films, telecommunication and advertisements	-	-	-		-	40	400,000,000	(*)	149,330,988

(*) As at 30 June 2018, the fair value of this investment was not available as this entity was not listed on the stock exchange. However, the Chairman believes that the fair value of this investment is higher than its book value.

5 INVESTMENTS (continued)

(c) Investments in other entities

		30.6.2018					31.12.2017				
Company name	Principal activities	Ownership %	Voting rights %	Historical cost VND	Fair value VND	Provision VND	Ownership %	Voting rights	Historical cost VND	Fair value VND	Provision VND
Zmedia Joint Stock Company	Advertising activities	11.44	15.00	7,500,000,000	(**)	-	11.44	15.00	7,500,000,000	(**)	-
Springme Corporation	Portal, telecommunication and advertisings	16.93	19.00	4,236,058,401	(**)	-	16.93	19.00	115,990,730	(**)	-
Gamify Vietnam Joint Stock Company	Video games	15.00	15.00	950,000,000	(**)	-	15.00	15.00	450,000,000	(**)	-
				12,686,058,401	(**)	-			8,065,990,730	(**)	-

(**) As at 30 June 2018, the fair values of these investments were not available as these entities were not listed on the stock exchange. However, the Chairman believes that the fair values of these investments are higher than their book value.

6 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	30.6.2018 VND	31.12.2017 VND
Third parties		
MMS Vietnam Media Co., Ltd.	55,223,281,803	7,243,653,222
Freedom Family Limited	26,831,870,344	-
WPP Media Co., Ltd.	26,471,278,081	23,900,807,053
Aegis Media (Vietnam) Co., Ltd.	20,796,607,164	8,336,851,479
Google Asia Pacific Pte. Ltd.	16,501,266,240	81,258,215,510
Thien Hoang Investment – Services Joint Stock Company	14,500,000,000	-
Facebook Ireland Limited	11,143,929,400	4,815,407,740
Iflix Vietnam Company Limited	8,310,279,999	-
TK-L Media Corporation	5,411,061,494	4,391,121,040
Can Tho City Television and Radio Station	4,298,838,285	4,004,314,256
Unilever Vietnam International Company Limited	3,602,225,000	891,747,475
Long An Television Station and Radio Station	3,179,714,288	1,032,500,000
Dentsu Media Vietnam Company Limited	3,001,011,362	1,794,041,818
Viet Land Media Joint Stock Company	2,123,448,000	1,663,441,151
Others	103,278,589,675	14,629,140,033
Related parties (Note 36(b))	886,915,917	704,645,457
	305,560,317,052	154,665,886,234

(*) As at 30 June 2018, the short-term trade receivables of VND89,090,544,014 (as at 31 December 2017: VND31,486,113,262) were pledged with banks as collateral assets for the short-term borrowings granted to the Group (Note 19(a)).

As at 30 June 2018, balances of short-term trade accounts receivable that were past due were nil (as at 31 December 2017: VND550,697,280).

7 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	30.6.2018 VND	31.12.2017 VND
Third parties		
Da Phuong Tien Chau A Media Co., Ltd.	4,218,861,600	4,218,861,600
VINACJ Multimedia Joint Stock Company	2,800,000,000	2,800,000,000
Color Media JSC	2,557,992,355	-
MBC Entertainment Media Joint Stock Company	1,600,000,000	-
Hogan Lovells International LLP - Ho Chi Minh City Branch Office	1,561,780,000	-
Ho Chi Minh City Television Station	-	5,000,000,000
Others	4,352,851,338	20,671,784,052
	17,091,485,293	32,690,645,652

7 SHORT-TERM PREPAYMENTS TO SUPPLIERS (continued)

As at 30 June 2018 and 31 December 2017, there was no balance of short-term prepayments to suppliers which was past due or not past due but doubtful.

8 OTHER RECEIVABLES

(a) Short-term

	30.6.2018		31.12.2017	
	Cost VND	Provision VND	Cost VND	Provision VND
Advances to employees (*)	42,073,703,628	-	36,709,268,488	-
Receivable from business cooperation contract (**)	17,500,000,000	-	17,500,000,000	-
Dividend receivable (***)	5,064,291,553	-	-	-
Interest receivable from business cooperation contract (**)	2,100,000,000	-	2,806,543,782	-
Receivable from related parties for interest-free loan	1,151,631,322	-	3,645,378,399	-
Deposits	15,940,122	-	11,402,858,226	-
Others	539,426,761	-	-	-
	68,444,993,386	-	72,064,048,895	-
In which:				
Related parties (Note 36(b))	1,223,766,258	-	630,000,000	-
Third parties	67,221,227,128	-	71,434,048,895	-
	68,444,993,386	-	72,064,048,895	-

(*) As at 30 June 2018, the balance of advances to employees mainly represents the advance of VND23,084,128,633 to Mr. Truong Huynh Khai Nguyen - General Director of a subsidiary of the Group for the operation business purpose of that subsidiary (as at 31 December 2017: VND26,555,206,429).

(**) This is a business cooperation contract relating to the investment, construction and business of Hung Vuong Square Project at 100 Hung Vuong Street, Ward 9, District 5, Ho Chi Minh City between the Company and Tan An Dong Sai Gon Company (formerly known as Mai Huong Service and Trading Company Limited). The total investment value of the project is VND50 billion, in which, the Company agreed to contribute 35% of the total investment, equivalent to VND17.5 billion and the project owner agreed to contribute 65% of the total investment, equivalent to VND32.5 billion. The revenue sharing is based on the annual revenue of the project, according to which, the project owner shall commit to share 5.5% of the annual revenue of the project to the Company during the useful life of the business cooperation contract or minimum of 15% of the total investment if there is no revenue incurred. As at the date of approval of these consolidated interim financial statements date, the liquidation procedures for these contracts have still been in progress.

(***) Dividend receivable represents profit sharing of 2017 from a non-controlling interest of a subsidiary in the Group.

8 OTHER RECEIVABLES (continued)

(b) Long-term

	30.6.2018 Cost VND	30.6.2018 Provision VND	31.12.2017 Cost VND	31.12.2017 Provision VND
Guarantee deposit (*)	10,447,919,503	-	8,000,000,000	-
Interest receivable from loans	5,003,920,408	-	4,176,712,523	-
Deposits	2,746,793,088	-	2,788,491,523	-
Advance to employees	-	-	1,369,999,805	-
Others	52,917,000	-	-	-
	18,251,549,999	-	16,335,203,851	-
In which:				
Related parties (Note 36(b))	15,451,839,911	-	12,176,712,523	-
Third parties	2,799,710,088	-	4,158,491,328	-
	18,251,549,999	-	16,335,203,851	-

(*) This is the guarantee deposit for the contract signed between the Company and Vietnam Online Service Trade Joint Stock Company, a related party of the Group (Note 36(b)).

As at 30 June 2018 and 31 December 2017, there was no balance of other short-term and long-term receivables that was past due or not past due but doubtful.

9 INVENTORIES

	30.6.2018 Cost VND	30.6.2018 Provision VND	31.12.2017 Cost VND	31.12.2017 Provision VND
Television shows	39,678,240,265	-	58,768,038,340	-
Films in progress	13,926,973,890	-	3,583,873,675	-
Merchandise	37,820,936,364	-	12,428,827,437	(477,545,455)
Others	1,580,726,719	-	119,853,796	-
	93,006,877,238	-	74,900,593,248	(477,545,455)

9 INVENTORIES (continued)

Movement of provision for decline in value of inventories during the period/year is as follows:

	For six-month period ended 30.6.2018 VND	For year ended 31.12.2017 VND
Beginning of period/year	(477,545,455)	(477,545,455)
Reversal	477,545,455	-
End of period/year	-	(477,545,455)

10 PREPAID EXPENSES

(a) Short-term

	30.6.2018 VND	31.12.2017 VND
Tools and supplies	1,753,128,663	1,274,061,055
Prepaid service expenses	5,381,458,180	2,108,429,458
Others	26,525,135	48,000,000
	7,161,111,978	3,430,490,513

Movement of short-term prepaid expenses during the period/year is as follows:

	For six-month period ended 30.6.2018 VND	For year ended 31.12.2017 VND
Beginning of period/year	3,430,490,513	4,299,209,418
Increase	15,814,244,947	7,236,922,052
Allocation during the period/year	(12,083,623,482)	(8,105,640,957)
End of period/year	7,161,111,978	3,430,490,513

10 PREPAID EXPENSES (continued)

(b) Long-term

	30.6.2018 VND	31.12.2017 VND
Tool and supplies	4,153,913,475	1,761,788,553
Expenditures of channel project development	10,178,053,734	13,636,363,635
Prepaid service expenses (*)	232,787,157	4,987,498,435
	14,564,754,366	20,385,650,623

Movement of long-term prepaid expenses during the period/year is as follows:

	For six-month period ended 30.6.2018 VND	For year ended 31.12.2017 VND
Beginning of period/year	20,385,650,623	36,454,255,000
Increase	2,966,958,807	3,631,354,563
Allocation during the period/year	(8,787,855,064)	(19,699,958,940)
End of period/year	14,564,754,366	20,385,650,623

(*) Prepaid service expenses mainly include the connection cost and the TV program copyright cost which have been prepaid to the Group's suppliers.

11 LONG-TERM LENDING

The amount represents lending to a related party, Mr. Vo Thai Phong, with a term of 48 months and credit limit of VND43,000,000,000. The lending is secured by an 18-month term saving deposit of VND30,000,000,000 at Ho Chi Minh City Development Joint Stock Commercial Bank and all shares of Mr. Vo Thai Phong in the Company. The lending earns interest at the rate of 10% per annum (Note 36(b)). During the period, the Group have collected VND30,000,000,000 from this long-term lending.

12 FIXED ASSETS

(a) Tangible fixed assets

	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Historical cost					
As at 1 January 2018	903,707,775	9,826,791,816	3,566,943,279	131,132,995	**14,428,575,865**
New purchase	282,159,376	-	53,500,000	-	**335,659,376**
Increase from acquisition of subsidiaries	157,090,909	-	-	-	**157,090,909**
As at 30 June 2018	1,342,958,060	9,826,791,816	3,620,443,279	131,132,995	**14,921,326,150**
Accumulated depreciation					
As at 1 January 2018	811,042,276	5,788,507,209	3,351,498,670	27,337,660	**9,978,385,815**
Charge for the period	6,808,545	520,118,931	47,714,962	8,201,298	**582,843,736**
Increase from acquisition of subsidiaries	83,098,974	-	-	-	**83,098,974**
As at 30 June 2018	900,949,795	6,308,626,140	3,399,213,632	35,538,958	**10,644,328,525**
Net book value					
As at 1 January 2018	92,665,499	4,038,284,607	215,444,609	103,795,335	**4,450,190,050**
As at 30 June 2018	442,008,265	3,518,165,676	221,229,647	95,594,037	**4,276,997,625**

As at 30 June 2018, tangible fixed assets with carrying value of VND1,342,844,232 (as at 31 December 2017: VND1,598,327,256) were pledged with banks as collateral assets for short-term borrowings granted to the Group (Note 19(a)).

Historical cost of fully depreciated tangible fixed assets but still in use as at 30 June 2018 was VND4,091,024,258 (as at 31 December 2017: VND4,044,164,258).

12 FIXED ASSETS (continued)

(b) Intangible fixed assets

	Land use rights VND	Brand name and trade mark VND	Computers software VND	Total VND
Historical cost				
As at 1 January 2018	4,500,000,000	2,524,382,154	46,053,000	**7,070,435,154**
New purchase	-	6,810,000,000	190,125,000	**7,000,125,000**
As at 30 June 2018	4,500,000,000	9,334,382,154	236,178,000	**14,070,560,154**
Accumulated depreciation				
As at 1 January 2018	-	408,871,424	12,211,027	**421,082,451**
Charge for the period	-	81,455,103	18,602,615	**100,057,718**
As at 30 June 2018	-	490,326,527	30,813,642	**521,140,169**
Net book value				
As at 1 January 2018	4,500,000,000	2,115,510,730	33,841,973	**6,649,352,703**
As at 30 June 2018	4,500,000,000	8,844,055,627	205,364,358	**13,549,419,985**

As at 30 June 2018, land use right with carrying value of VND4,500,000,000 (as at 31 December 2017: VND4,500,000,000) were pledged with banks as collateral assets for short-term borrowings granted to the Group (Note 19).

13 GOODWILL

	For six-month period ended 30.6.2018 VND	For year ended 31.12.2017 VND
Beginning of period/year	109,390,081,206	-
Increase in the period/year	104,586,731,045	116,445,389,369
Allocation during the period/year (Note 31)	(8,166,609,729)	(7,274,531,107)
Foreign exchange difference	(38,571,172)	219,222,944
Other adjustments (*)	(5,406,560,301)	-
End of period/year	200,365,071,049	109,390,081,206

(*) Other adjustments relate to decrease of consideration for acquisition of TNT Advertising Communication Company Limited and the group of Netlink Online Communication Joint Stock Company and Netlink Online Corporation after finalisation with sellers.

14 SHORT-TERM TRADE ACCOUNTS PAYABLE

	30.6.2018		31.12.2017	
	Amount VND	Able-to-pay VND	Amount VND	Able-to-pay VND
Third parties				
Can Tho Television and Radio Station	14,310,843,001	14,310,843,001	17,658,982,721	17,658,982,721
Ca Mau Television and Radio Station	10,295,899,900	10,295,899,900	2,938,079,900	2,938,079,900
World Star Advertising Joint Stock Company	7,992,908,850	7,992,908,850	6,097,960,718	6,097,960,718
Long An Television and Radio Station	7,750,800,000	7,750,800,000	4,965,000,000	4,965,000,000
Excellent Corporation	6,810,000,000	6,810,000,000	-	-
Vietnam Television Cable Company Limited	6,811,651,999	6,811,651,999	12,130,360,333	12,130,360,333
Others	54,637,829,765	54,637,829,765	88,322,185,581	88,322,185,581
Related parties (Note 36(b))	-	-	2,252,536,137	2,252,536,137
	108,609,933,515	108,609,933,515	134,365,105,390	134,365,105,390

As at 30 June 2018 and 31 December 2017, the Group did not have any short-term trade accounts payable which are past due.

15 SHORT-TERM ADVANCES FROM CUSTOMERS

	30.6.2018 VND	31.12.2017 VND
Third parties		
Dentsu Media Vietnam Company Limited	455,715,973	367,955,398
Viet Land Media Joint Stock Company	425,913,402	146,991,272
TK-L Media Corporation	156,849,000	149,109,001
WPP Media Company Limited	-	3,154,089,520
Others	272,066,172	2,757,669,312
	1,310,544,547	6,575,814,503

16 TAXES AND OTHER PAYABLES TO THE STATE BUDGET

	30.6.2018 VND	31.12.2017 VND
Business income tax	37,027,746,660	14,615,407,974
Value added tax	9,063,331,806	9,618,323,943
Personal income tax	4,139,034,478	1,470,069,985
Others	93,571,081	-
	50,323,684,025	25,703,801,902

16 TAXES AND OTHER PAYABLES TO/RECEIVABLE FROM THE STATE BUDGET (continued)

Movements in taxes and other payables to/receivables from the State budget during the period are as follows:

	As at 1.1.2018 VND	Arose during the period VND	Net-off VND	Settled during the period VND	Subsidiary acquisition VND	As at 30.6.2018 VND
Payable						
Business income tax	14,615,407,974	26,198,474,900	-	(4,611,587,367)	825,451,153	37,027,746,660
Value added tax	9,618,323,943	41,236,915,762	(32,834,840,069)	(9,495,033,560)	537,965,730	9,063,331,806
Personal income tax	1,470,069,985	5,223,360,711	-	(2,554,396,218)	-	4,139,034,478
Others	-	126,571,081	-	(33,000,000)	-	93,571,081
	25,703,801,902	72,785,322,454	(32,834,840,069)	(16,694,017,145)	1,363,416,883	50,323,684,025
Receivable						
Personal income tax	411,312,141	156,421,874	-	(350,825,794)	-	216,908,221
Value added tax	29,888,510,019	32,132,184,881	(32,834,840,069)	-	-	29,185,854,831
Others	-	8,000,000	-	(5,000,000)	-	3,000,000
	30,299,822,160	32,296,606,755	(32,834,840,069)	(355,825,794)	-	29,405,763,052

17 SHORT-TERM ACCRUED EXPENSES

	30.6.2018 VND	31.12.2017 VND
Film's copyrights fee	3,981,424,141	-
Accrued expenses for television station	3,822,936,365	-
Interest expense	3,493,567,595	3,465,384,663
Cost of film launching	3,079,617,736	2,634,842,707
Shared profits from advertising activities	2,003,130,927	1,459,773,499
Business cooperation fee on VTC4 channel	587,689,815	160,183,236
Salary and bonus accrual	48,196,421	1,401,360,114
Others	1,128,867,613	363,750,771
	18,145,430,613	9,485,294,990
In which:		
Third parties	14,737,684,146	6,077,548,523
Related parties (Note 36(b))	3,407,746,467	3,407,746,467
	18,145,430,613	9,485,294,990

18 OTHER SHORT-TERM PAYABLES

	30.6.2018		31.12.2017	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Payable for acquisition of subsidiaries (*)	132,216,713,283	132,216,713,283	39,624,301,958	39,624,301,958
Business cooperation contract for film production	17,124,427,012	17,124,427,012	3,986,897,042	3,986,897,042
Dividend payable to non-controlling interest	3,766,583,093	3,766,583,093	3,766,583,093	3,766,583,093
Payment on behalf	1,274,102,183	1,274,102,183	142,089,200	142,089,200
Others	18,400,228,562	18,400,228,562	414,517,580	414,517,580
	172,782,054,133	172,782,054,133	47,934,388,873	47,934,388,873
In which:				
Third parties	167,946,309,199	167,946,309,199	47,727,375,891	47,727,375,891
Related parties (Note 36(b))	4,835,744,934	4,835,744,934	207,012,982	207,012,982
	172,782,054,133	172,782,054,133	47,934,388,873	47,934,388,873

(*) Payable for acquisition of subsidiaries mostly represents payable amount of VND101,227,750,000 for acquisition 51% shares in ADS Group Viet Nam Joint Stock Company on 1 April 2018.

19 BORROWINGS AND FINANCE LEASE LIABILITIES

(a) Short-term borrowings and finance lease liabilities

	As at 1.1.2018 VND	Increase VND	Decrease VND	As at 30.6.2018 VND
Bank loans				
Ho Chi Minh Development Joint Stock Bank (i)	33,069,475,018	63,024,050,444	(53,795,276,677)	42,298,248,785
United Overseas Bank Vietnam (ii)	33,850,000,000	145,357,200,000	(89,850,000,000)	89,357,200,000
Vietnam Maritime Joint Stock Commercial Bank (iii)	-	35,556,266,563	-	35,556,266,563
Third party				
Huynh Kim Long (iv)	-	3,400,000,000	(500,000,000)	2,900,000,000
Related party				
Vietnam Online Joint Stock Company	-	2,000,000,000	(2,000,000,000)	-
Current portion of finance lease (v)	550,189,985	-	(377,763,894)	172,426,091
	67,469,665,003	249,337,517,007	(146,523,040,571)	170,284,141,439

(i) The loans from Ho Chi Minh Development Joint Stock Bank ("HDBank") - Nguyen Dinh Chieu Branch are loans under five (5) Credit contracts of 11037/18MN/HDTD, 11038/18MN//HDTD, 11039/18MN/HDTD, 11040/18MN/HDTD, 11041/18MN/HDTD with a credit limit of VND17 billion, VND42 billion, VND17 billion, VND42 billion, VND32 billion respectively. All the contracts have credit terms of 12 months from the signing dates for the purpose of working capital supplement, the due date for repayment between each drawdown is specified in each drawdown contract. The loans bear interest are adjusted for each drawdown. The purpose is to supplement the working capital used for the production and trading of TV programmes, film distribution, commercial advertising and other activities. The collateral assets include: the land use rights of the property at No. 826, 828, Suoi Cat Street, Thanh Tuyen Commune, Dau Tieng District, Binh Duong Province (Note 12(b)) and Yeah1 Entertainment Corporation (a subsidiary); 5,000,000 shares owned by Mr. Nguyen Anh Nhuong Tong and/or a third party accepted by the Bank; debt conversion rights stipulated in the contract signed between MMS Vietnam Communication Co., Ltd, WPP Communications Co., Ltd., TK-L Media Joint Stock Company, Dat Viet VAC Media Corporation and Dentsu Vietnam Co., Ltd; and term deposits at the HDbank.

19 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(a) Short-term borrowings and finance lease liabilities (continued)

(ii) This is a loan in Vietnamese Dong with its maturity of one year from the date of the loan contract and a credit limit of US$2,000,000. The loan bears interest at the interest rate of 3% per annum. The collateral of the loan includes: deposit balance at bank which is maintained minimum at 50% of each drawdown and collateral assets of US$2,000,000 owned by individuals, which are guaranteed by Mr. Nguyen Anh Nhuong Tong and Mr. Dao Phuc Tri.

(iii) The loans from Vietnam Maritime Joint Stock Commercial Bank are loans under contract No. 030/2017/HDTD signed on 29 December 2017 with a credit limit of VND40 billion. The contract has credit term of 12 months from the signing date for the purpose of working capital supplement. The loans bear interest at the rates ranging from 8 – 12% per annum which as adjusted for each drawdown based on lending interest rates announced by Maritime Bank in each period. The collateral assets for the loans include: term deposit at Maritime Bank, Real Estate and respective receivables.

(iv) These are borrowings in Vietnam Dong according to the borrowing contract No. 01/2018/TNT-HKL and 02/2018/TNT-HKL with the credit limit of VND1 billion and VND2.4 billion respectively. Its due date is twelve months (12) from the first drawdown and bear the interest of 12% per annum, the principal and interest will be settled at the due date. These borrowings are made to increase the working capital for the purpose of producing television programmes, releasing films, advertising and other entertainment activities. These loans are unsecured.

(v) Finance lease liabilities are from Chailease International Leasing Company Limited under contract No. B150308102 with credit term of 36 months from 14 October 2015. This finance lease liabilities bear interest at the rate of 10% per annum and are repaid on a monthly basis. At the end of the lease period, the lessee has the right to purchase the leased asset at its carrying value of VND34,059,351.

(b) Long-term borrowings and finance lease liabilities

	As at 1.1.2018 VND	Increase during the period	Decrease VND	As at 30.6.2018 VND
Bank loans				
Ho Chi Minh Development Joint Stock Bank (v)	30,000,000,000	-	-	30,000,000,000

(v) This is a borrowing in VND having a maturity of 36 months from the disbursement date according to loan contract No.9989/16/HDTDTDH-DN/140 with a total facility of VND30,000,000,000. The borrowing is used for the co-operation with Vietnam Online Joint Stock Company to implement the Vietnam Webmoney project. The borrowing bears an interest rate of 9.3% per annum which would be adjusted every three months. The interests are paid monthly, the principals will be repaid on maturity date. The collateral asset is a deposit of VND30,000,000,000 of Vietnam Online Joint Stock Company at the Bank.

20 DEFERRED INCOME TAX ASSETS

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority. The detail of deferred income tax assets are as follows:

	30.6.2018 VND	31.12.2017 VND
Deferred tax assets:		
Deferred tax assets to be recovered within 12 months	20,000,000	806,924,582

The movement in the deferred income tax assets during the period/year is as follows:

	For the six-month period ended 30.6.2018 VND	For the year ended 31.12.2017 VND
Beginning of period/year	806,924,582	164,446,849
Consolidated income statement (charged)/credited (Note 33)	(786,924,582)	642,477,733
End of period/year	20,000,000	806,924,582

Deferred income tax assets mainly arise from deductive temporary differences from provisions and accrued expenses. The Group uses tax rate of 20% as at 30 June 2018 (as at 31 December 2017: 20%) for determining deferred tax assets.

The Group's tax losses can be carried forward to offset against future taxable income for a maximum period of no more than five consecutive years from the year right after the year in which the loss was incurred. The actual amount of tax losses that can be carried forward is subject to review and approval of the tax authorities and may be different from the figures presented. The estimated amount of tax losses available for offset against the Group's future taxable income are:

Year of tax loss	Status of tax authorities review	Loss incurred VND	Loss utilised VND	Loss carried forward VND
2015	Outstanding	282,185,890	282,185,890	-
2016	Outstanding	10,785,093,259	10,785,093,259	-
2017	Outstanding	2,476,171,587	348,933,004	2,127,238,583
2018	Outstanding	1,186,652,864	-	1,186,652,864

The Group did not recognise deferred income tax assets relating to the above tax losses carried forward, as the realisation of the related tax benefit through future taxable income currently cannot be assessed as probable.

21 OWNERS' CAPITAL

(a) Number of shares

	30.6.2018 Ordinary shares	31.12.2017 Ordinary shares
Number of shares registered	27,369,968	23,800,000
Number of shares issued	27,369,968	23,800,000
Number of existing shares in circulation	27,369,968	23,800,000

(b) Details of owners' shareholding

	30.6.2018 Ordinary shares	30.6.2018 %	31.12.2017 Ordinary shares	31.12.2017 %
Mr. Nguyen Anh Nhuong Tong	7,421,408	27.12	9,853,399	41.40
Mr. Ho Ngoc Tan	3,910,000	14.29	-	-
Ancla Assets Ltd.	3,419,249	12.49	2,973,260	12.49
DFJ VinaCapital Venture Investment Ltd.	1,954,582	7.14	8,499,637	35.71
Macquarie Bank Limited	1,572,000	5.74	-	-
Mr. Dao Phuc Tri	1,195,422	4.37	1,039,498	4.37
Other shareholders	7,897,307	28.85	1,434,206	6.03
Number of shares	27,369,968	100.00	23,800,000	100.00

(c) Movement of share capital

	Number of share capital Shares	Ordinary shares VND	Total VND
As at 1 January 2017	10,000,000	100,000,000,000	**100,000,000,000**
New shares issued	13,800,000	138,000,000,000	**138,000,000,000**
As at 31 December 2017	23,800,000	238,000,000,000	**238,000,000,000**
New shares issued	3,569,968	35,699,680,000	**35,699,680,000**
As at 30 June 2018	27,369,968	273,699,680,000	**273,699,680,000**

Par value per share: VND10,000.

22 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Foreign exchange differences VND	Undistributed earnings VND	Total VND
As at 1 January 2017	100,000,000,000	115,560,000	-	1,459,673,264	**101,575,233,264**
Profit for the year	-	-	-	58,871,715,378	**58,871,715,378**
Dividend paid by shares	18,220,000,000	-	-	(18,220,000,000)	**-**
Issuance of shares to current shareholders	113,780,000,000	-	-	-	**113,780,000,000**
Issuance of shares to employees	6,000,000,000	24,000,000,000	-	-	**30,000,000,000**
Foreign exchange differences	-	-	304,613,369	-	**304,613,369**
As at 31 December 2017	238,000,000,000	24,115,560,000	304,613,369	42,111,388,642	**304,531,562,011**
Profit for the period	-	-	-	79,379,454,124	**79,379,454,124**
Dividend paid by shares (i)	35,699,680,000	-	-	(35,699,680,000)	**-**
Transaction with non-controlling interest (Note 3.2)	-	-	-	(33,919,069,427)	**(33,919,069,427)**
Foreign exchange differences	-	-	(30,843,760)	-	**(30,843,760)**
As at 30 June 2018	273,699,680,000	24,115,560,000	273,769,609	51,872,093,339	**349,961,102,948**

(i) Pursuant to Decision No.01/2018/NQ/DHDCD dated 10 April 2018, the Board of Directors had approved the new share issuance plan by undistributed earnings with the ratio of 15% charter capital for existing shareholders.

23 NON-CONTROLLING INTERESTS ("NCI")

Movements in NCI during the period/year were as follows:

	For the six-month period ended 30.6.2018 VND	For the year ended 31.12.2017 VND
Beginning of period/year	28,258,883,223	8,064,598,113
Increase from business combination	2,576,076,189	2,644,794,136
Profit attributable to NCI	14,862,728,768	23,407,416,831
Capital contribution from NCI	150,000,000	3,600,000,000
Decrease due to change in interest during the period/year	(5,517,102,706)	-
Dividend paid	(4,182,124,490)	(9,468,372,049)
Foreign exchange difference	-	10,446,192
End of period/year	36,148,460,984	28,258,883,223

24 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare funds by the weighted average number of ordinary shares outstanding during the period, excluding ordinary shares repurchased by the Company and held as treasury shares:

	For the six-month period ended	
	30.6.2018 VND	30.6.2017 VND
Net profit attributable to shareholders (VND)	79,379,454,124	26,297,994,147
Weighted average number of ordinary shares in issue (shares)	27,369,968	15,391,968
Basic earnings per share (VND)	2,900	1,709

Diluted earnings per share: the Company did not have potential shares which would be dilutive of earnings per share up to the date of these consolidated financial statements.

25 OFF BALANCE SHEET ITEMS

(a) Foreign currencies

Included in cash and cash equivalents are balances held in foreign currencies of US$38,530, SGD802,921 and 73 tale of gold (as at 31 December 2017: US$56,316, SGD221,030 and 54 tale of gold).

25 OFF BALANCE SHEET ITEMS (continued)

(b) Commitments under operating lease

The future minimum lease payable under non-cancellable operating lease as at 30 June 2018 is VND152,554,236,107 (as at 31 December 2017: VND84,976,042,313). Details are presented in Note 37.

(c) Capital expenditure commitment

As at 30 June 2018, the Group had commitments to contribute capital in the future according to business cooperation contracts with an amount of VND15,481,862,000 (as at 31 December 2017: VND0). Details are presented in Note 37.

26 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	For the six-month period ended	
	30.6.2018 VND	**30.6.2017 VND (Un-reviewed)**
Revenue from sales of goods and rendering of services		
Revenue from programme broadcasts on digital platform	333,878,420,052	150,208,677,155
Revenue from advertisements on television channels	316,069,900,084	150,400,643,031
Revenue from rendering of service	12,070,434,088	1,451,836,944
Revenue from film copyright	8,685,718,476	10,525,497,152
Revenue from sale of goods	8,403,573,395	-
	679,108,046,095	312,586,654,282
Sales deductions		
Trade discounts	(1,653,025,902)	(701,525,983)
Net revenue from sales of goods and rendering of services		
Net revenue from programmes broadcast on digital platforms	333,666,891,826	149,912,827,155
Net revenue from advertisements on television channels	314,628,402,408	149,994,967,048
Net revenue from rendering of services	12,070,434,088	1,451,836,944
Net revenue from film copyright	8,685,718,476	10,525,497,152
Net revenue from sale of goods	8,403,573,395	-
	677,455,020,193	311,885,128,299

27 COST OF GOODS SOLD AND SERVICES RENDERED

	For the six-month period ended	
	30.6.2018 VND	30.6.2017 VND (Un-reviewed)
Cost of broadcasting programmes on digital platforms	228,978,876,546	82,602,018,686
Cost of advertisements	191,276,954,245	122,423,529,929
Cost of rendering of services	7,948,311,531	540,733,333
Cost of film copyright	4,233,484,994	7,602,046,772
Cost of goods sold	953,243,000	-
	433,390,870,316	213,168,328,720

28 FINANCIAL INCOME

	For the six-month period ended	
	30.6.2018 VND	30.6.2017 VND (Un-reviewed)
Interest income from deposits	1,062,995,995	2,521,548,884
Realised foreign exchange gains	101,859,840	2,342,704
	1,164,855,835	2,523,891,588

29 FINANCIAL EXPENSES

	For the six-month period ended	
	30.6.2018 VND	30.6.2017 VND (Un-reviewed)
Interest expense	5,613,881,796	8,166,516,860
Other expense	505,660,187	1,445,203,966
	6,119,541,983	9,611,720,826

30 SELLING EXPENSES

	For the six-month period ended 30.6.2018 VND	30.6.2017 VND (Un-reviewed)
Outside service expenses	57,564,474,917	9,405,134,733
Salary expenses	7,143,737,230	6,801,114,382
Depreciation and amortisation expenses	123,474,498	196,724,508
Others	92,049,430	21,321,558
	64,923,736,075	16,424,295,181

31 GENERAL AND ADMINISTRATION EXPENSES

	For the six-month period ended 30.6.2018 VND	30.6.2017 VND (Un-reviewed)
Staff cost	20,925,782,455	13,598,243,870
Outside service cost	9,520,382,166	4,488,676,128
Goodwill allocation (Note 13)	8,166,609,729	1,567,130,897
Tools and supplies	4,617,631,006	4,074,675,609
Office rental fee	4,381,420,740	2,737,017,329
Depreciation and amortisation	766,736,412	691,453,524
Others	4,335,692,929	6,172,542,486
	52,714,255,437	33,329,739,843

32 OTHER INCOME AND EXPENSES

	For the six-month period ended 30.6.2018 VND	30.6.2017 VND (Un-reviewed)
Other income		
Others	256,369,865	-
	256,369,865	-
Other expenses		
Penalties	(497,887,062)	(583,830,014)
Others	(2,372,646)	(192,024,818)
	(500,259,708)	(775,854,832)
Net other expenses	**(243,889,843)**	**(775,854,832)**

33 BUSINESS INCOME TAX

The tax on the Group's accounting profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% as follows:

	For the six-month period ended 30.6.2018 VND	30.6.2017 VND (Un-reviewed)
Net accounting profit before tax	121,227,582,374	41,099,080,485
Tax calculated at a rate of 20%	24,245,516,475	8,219,816,097
Effect of:		
Non-deductible expense	210,533,513	486,711,487
Temporary difference for which no deferred tax recognised	-	(339,945,485)
Allocation of good will	1,633,321,946	313,426,179
Utilisation of previously unrecognised tax losses	(69,786,601)	(2,509,071,422)
Tax incentive (*)	(1,519,204,072)	-
Business income tax expense profit distribution from subsidiaries in foreign countries to parent companies in Vietnam (**)	2,247,687,648	-
Tax losses for which no deferred income tax have been recognised	237,330,573	1,966,494,193
Business income tax charge (***)	26,985,399,482	8,137,431,049
Charged to consolidated interim income statement:		
Business income tax – current	26,198,474,900	8,137,431,049
Business income tax – deferred	786,924,582	-
Business income tax charge (***)	26,985,399,482	8,137,431,049

(*) A subsidiary of the Group is Yeah1 Network Pte. Ltd has applicable tax rate of 17%. In addition, this subsidiary is entitled to tax incentive in accordance with regulation in Singapore as follows: tax exemption for first SGD100,000, 50% tax reduction for next SGD200,000. The company also has tax rebate of 40%, cap at SGD15,000. For the year 2019, the company has tax rebate of 20% on tax payables amount, maximum at SGD10,000.

Tax incentive also relates to business income tax exemption for a subsidiary of the Group which is Netlink Online Corporation.

(**) This is estimated business income tax for 2017 profit distribution from subsidiaries in foreign countries to parent companies in Vietnam, calculated based on difference between tax payables using applicable tax rate in Vietnam and tax paid in foreign countries.

(***) The business income tax charge for the period is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

34 COST OF OPERATION BY FACTOR

	For the six-month period ended	
	30.6.2018	30.6.2017
	VND	VND
		(Un-reviewed)
Outside service expenses	507,208,748,143	235,194,365,507
Staff costs	28,069,519,685	20,399,358,252
Goodwill allocation	8,166,609,729	1,567,130,897
Tools and supplies	4,709,680,436	4,074,675,609
Depreciation and amortisation	890,210,910	888,178,032
Others	283,383,825	798,655,447
	549,328,152,728	262,922,363,744

35 SEGMENT REPORTING

(a) Business activity segments

Information on segment revenue and cost of sales based on the activities of the Group are as follows:

	For the six-month period ended 30 June 2018					
	Advertising on television channels VND	Broadcast on digital infrastructure VND	Rendering services VND	Sale of goods VND	Elimination entries VND	Total VND
Revenue from third parties	314,628,402,408	333,666,891,826	20,756,152,564	8,403,573,395	-	**677,455,020,193**
Revenue between sections	56,074,506,386	176,201,200,441	7,728,479,052	-	(240,004,185,879)	**-**
Net revenue	370,702,908,794	509,868,092,267	28,484,631,616	8,403,573,395	(240,004,185,879)	**677,455,020,193**
Cost of goods sold and services rendered	(225,699,082,473)	(416,004,256,646)	(12,217,934,525)	(953,243,000)	221,483,646,328	**(433,390,870,316)**
Gross profit	145,003,826,321	93,863,835,621	16,266,697,091	7,450,330,395	(18,520,539,551)	**244,064,149,877**
Assets						
Segment's assets	488,837,178,507	344,692,010,976	45,945,616,043	11,135,666,906	(25,744,729,800)	**864,865,742,632**
Unallocated assets						**76,448,540,263**
Total assets						**941,314,282,895**
Liabilities						
Segment's liabilities	337,906,499,911	226,689,804,118	29,030,356,102	2,361,703,016	(189,077,828,051)	**406,910,535,096**
Unallocated assets						**148,294,183,867**
Total liabilities						**555,204,718,963**

35 SEGMENT REPORTING (continued)

(b) Business activity segments (continued)

Information on segment revenue and cost of sales based on the activities of the Group are as follows:

	For the six-month period ended 30 June 2017 (Un-reviewed)					
	Advertising on television channels VND	Broadcast on digital infrastructure VND	Rendering services VND	Sale of goods VND	Elimination entries VND	Total VND
Revenue from third parties	149,994,967,048	149,912,827,155	11,977,334,096	-	-	**311,885,128,299**
Revenue between sections	64,773,088,517	150,000,000	4,232,575,753	-	(69,155,664,270)	**-**
Net revenue	214,768,055,565	150,062,827,155	16,209,909,849	-	(69,155,664,270)	**311,885,128,299**
Cost of goods sold and services rendered	(168,599,285,113)	(103,102,018,686)	(8,142,780,105)	-	66,675,755,184	**(213,168,328,720)**
Gross profit	46,168,770,452	46,960,808,469	8,067,129,744	-	(2,479,909,086)	**98,716,799,579**
Assets						
Segment's assets	433,542,371,772	128,101,686,417	34,049,659,291	-	(150,381,679,173)	**445,312,038,307**
Unallocated assets						**211,993,307,387**
Total assets						**657,305,345,694**
Liabilities						
Segment's liabilities	102,738,855,583	99,783,087,693	32,267,707,852	-	(147,736,964,248)	**87,052,686,880**
Unallocated assets						**237,462,213,580**
Total liabilities						**324,514,900,460**

35 SEGMENT REPORTING (continued)

(b) Geographical segments

Information on segment revenue and cost of sales based on the geographical locations of the Group are as follows:

	For the six-month period ended 30 June 2018			
	Domestic VND	Foreign VND	Elimination entries VND	Total VND
Net revenue	653,182,534,293	264,276,671,779	(240,004,185,879)	**677,455,020,193**
Cost of goods sold and services rendered	(473,572,678,356)	(181,301,838,288)	221,483,646,328	**(433,390,870,316)**
Gross profit	179,609,855,937	82,974,833,491	(18,520,539,551)	**244,064,149,877**

	For the six-month period ended 30 June 2017 (Un-reviewed)			
	Domestic VND	Foreign VND	Elimination entries VND	Total VND
Net revenue	249,220,952,984	131,819,839,585	(69,155,664,270)	**311,885,128,299**
Cost of goods sold and services rendered	(204,181,083,904)	(75,663,000,000)	66,675,755,184	**(213,168,328,720)**
Gross profit	45,039,869,080	56,156,839,585	(2,479,909,086)	**98,716,799,579**

36 RELATED PARTY DISCLOSURES

During the period, the Group has transactions and balances with related parties as below:

Relationship	**Name**
Company owned by the Group's shareholders	Vietnam Online Service Trade Joint Stock Company
Shareholder	Ancla Assets Limited
Shareholder	DFJ Vinacapital Venture Investment Ltd.
Chairman of the Board of Management	Mr. Nguyen Anh Nhuong Tong
Board of Directors	Mr. Dao Phuc Tri
Board of Directors	Mr. Vo Thai Phong
Related personnel (family member of Chairman)	Mrs. Nguyen Thi Truc Mai

36 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions

During the period, the following transactions were carried out with related parties:

	For the six-month period ended 30.6.2018 VND	30.6.2017 VND (Un-reviewed)
i) Rendering of services		
Vietnam Online Service Trade Joint Stock Company	178,590,914	347,181,821
Vietnam Entertainment Investment Joint Stock Company	102,985,410	-
	281,576,324	347,181,821
ii) Purchases of services		
Vietnam Online Service Trade Joint Stock Company	287,242,499	-
iii) Borrowing		
Vietnam Online Service Trade Joint Stock Company	2,000,000,000	-
iv) Borrowing repayment		
Vietnam Online Service Trade Joint Stock Company	2,000,000,000	-
v) Bond issued		
Ancla Assets Limited	-	68,268,000,000
Mr. Nguyen Anh Nhuong Tong	-	39,800,000,000
Mr. Vo Thai Phong	-	1,566,000,000
Mr. Dao Phuc Tri	-	3,891,000,000
Mrs. Nguyen Thi Truc Mai	-	255,000,000
	-	113,780,000,000

36 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	For the six-month period ended 30.6.2018 VND	30.6.2017 VND (Un-reviewed)
vi) Advance to related parties		
Vietnam Online Service Trade Joint Stock Company	2,447,919,503	-
Mr. Dao Phuc Tri	417,175,000	-
	2,865,094,503	-
vii) Collection of advances		
Mr. Dao Phuc Tri	407,175,000	-
viii) Payment on behalf by a related party		
Vietnam Online Service Trade Joint Stock Company	25,560,717,198	-
ix) Repayment for payment on behalf		
Vietnam Online Service Trade Joint Stock Company	24,428,704,215	-
x) Lending		
Mr. Vo Thai Phong	-	30,000,000,000
xi) Collection of lending		
Mr. Vo Thai Phong	30,000,000,000	-
xii) Lending interest		
Mr. Vo Thai Phong	827,208,080	2,009,041,096
Vietnam Online Service Trade Joint Stock Company	-	705,688,827
	827,208,080	2,714,729,923

36 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	For the six-month period ended 30.6.2018 VND	30.6.2017 VND (Un-reviewed)
xiii) Borrowing interest		
Vietnam Online Service Trade Joint Stock Company	44,688,889	-
xiv) Compensation for key management		
Salary and other bonus	1,343,470,000	638,821,000

(b) Related party balances

	30.6.2018 VND	31.12.2017 VND
(i) Short-term trade accounts receivable (Note 6)		
Vietnam Online Service Trade Joint Stock Company	886,915,917	704,645,457
(ii) Other short-term receivables (Note 8(a))		
Mr. Nguyen Anh Nhuong Tong	1,223,766,258	-
SMB Corporation	-	630,000,000
	1,223,766,258	630,000,000
(iii) Other long-term receivables (Note 8(b))		
Vietnam Online Service Trade Joint Stock Company	10,447,919,503	8,000,000,000
Mr. Vo Thai Phong	5,003,920,408	4,176,712,328
	15,451,839,911	12,176,712,328

36 RELATED PARTY DISCLOSURES (continued)

(b) Related party balances (continued)

	30.6.2018 VND	31.12.2017 VND
(iv) Lending (Note 11)		
Mr. Vo Thai Phong	13,000,000,000	43,000,000,000
(v) Trade payable (Note 14)		
Vietnam Online Service Trade Joint Stock Company	-	2,252,536,137
(vi) Accrued expense (Note 17)		
Ancla Assets Limited	3,407,746,467	3,407,746,467
(vii) Other short-term payables (Note 18)		
Vietnam Entertainment Investment Joint Stock Company	3,496,718,969	-
Vietnam Online Service Trade Joint Stock Company	1,274,102,183	142,089,200
Mr. Vo Thai Phong	37,712,845	38,356,663
Mr. Nguyen Anh Nhuong Tong	27,210,937	26,567,119
	4,835,744,934	207,012,982

37 CAPITAL EXPENDITURE COMMITMENTS

(a) Operating leases:

	Office rental		Television license rental		Total	
	30.6.2018	**31.12.2017**	**30.6.2018**	**31.12.2017**	**30.6.2018**	**31.12.2017**
	VND	**VND**	**VND**	**VND**	**VND**	**VND**
Within 1 year	14,552,570,029	15,943,634,424	39,932,532,089	14,211,392,089	54,485,102,119	30,155,026,514
1 - 5 years	21,642,254,642	27,773,261,522	76,426,879,347	27,047,754,277	98,069,133,989	54,821,015,799
Total minimum payment	36,194,824,671	43,716,895,946	116,359,411,436	41,259,146,366	152,554,236,107	84,976,042,313

37 CAPITAL EXPENDITURE COMMITMENTS (continued)

(b) Investment in an associate

	30.6.2018 VND	31.12.2017 VND
Vietnam Online Service Trade Joint Stock Company	10,800,000,000	-

(c) Investment in other entity

	30.6.2018 VND	31.12.2017 VND
Gamify Vietnam Company Limited	4,681,862,500	-

38 ADDITIONAL INFORMATION FOR THE ITEMS OF THE CASH FLOWS STATEMENT

(a) Non-cash transactions affect the cash flows statement:

	For six-month period ended	
	30.6.2018 VND	30.6.2017 VND (Un-reviewed)
Acquisition of subsidary in form of receiving debts directly or indirectly via financial leasing transactions	101,227,750,000	30,731,004,901
Purchase assets in form of receiving debts directly or indirectly via financial leasing transactions	6,810,000,000	-
Bonus shares from retained earnings	35,699,680,000	-

(b) Amount of loan actually withdrawn during the period

	For six-month period ended	
	30.6.2018 VND	30.6.2017 VND (Un-reviewed)
Proceeds from borrowings following normal borrowing contracts	249,337,517,007	294,439,499,399

(c) Amount of loan principal actually paid during the period

	For six-month period ended	
	30.6.2018 VND	30.6.2017 VND (Un-reviewed)
Repayments for borrowings following normal borrowing contracts	146,523,040,571	200,753,309,344

39 EVENTS AFTER THE BALANCE SHEET DATE

On 18 July 2018, the Company has established a subsidiary, YAG Entertainment Corporation ("YAG"), with the ownership of 85% and charter capital of VND18,400,000,000. The registered business activities of YAG are post production activities, film screening activities and composing, art and entertainment activities.

41 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current period's presentation.

Consolidated balance sheet

		As at 31 December 2017		
Code	**Assets**	**As previously reported VND**	**ıReclassification VND**	**As reclassified VND**
100	**Current assets**	**435,565,961,714**	**10,364,555,647**	**445,930,517,361**
130	**Other receivables**	**248,879,625,134**	**10,364,555,647**	**259,244,180,781**
136	Other receivables	61,699,493,248	10,364,555,647	72,064,048,895
150	**Other current assets**	**34,756,972,273**	**-**	**34,756,972,273**
152	VAT deductible	29,866,508,519	22,001,500	29,888,510,019
153	Taxes and receivable from State Budget	433,313,641	(22,001,500)	411,312,141
200	**Non-current assets**	**221,739,383,980**	**(10,364,555,647)**	**211,374,828,333**
210	**Long-term receivables**	**69,699,759,498**	**(10,364,555,647)**	**59,335,203,851**
215	Receivable from long-term lending	35,864,555,647	7,135,444,353	43,000,000,000
216	Other long-term receivable	33,835,203,851	(17,500,000,000)	16,335,203,851
311	Trade payable	126,325,444,089	8,039,661,301	134,365,105,390
319	Other short-term payable	55,974,050,174	(8,039,661,301)	47,934,388,873

The consolidated interim financial statements were approved by the Chairman on 17 August 2018.

CÔNG TY CỔ PHẦN TẬP ĐOÀN YEAH1

Tran Thi Lao
Chief Accountant/Preparer

Vo Thai Phong
Deputy General Director - Finance

Nguyen Anh Nhuong Tong
Chairman